

A. CALL TO ORDER

Committee Vice Chair Cathy Olsen-Dennis called the Gresham Redevelopment Commission Budget Committee (GRDCBC) meeting to order at 6:05 p.m. on the 17th day of April 2008 in the Gresham City Hall Conference Center, 1333 NW Eastman Parkway, Gresham, Oregon.

COMMITTEE PRESENT: SHANE BEMIS, Commissioner
MIKE BENNETT, Commissioner
SHIRLEY CRADDICK, COMMISSIONER
RICK DWYER
KEITH FLEWELLING
CAROL NIELSEN-HOOD, Commissioner
CATHY OLSEN-DENNIS, Vice Chair
DICK STRATHERN, Commissioner
PAUL WARR-KING, Commissioner
DAVID WIDMARK, Commissioner
GLORIA WIGGINS

COMMITTEE ABSENT: RICHARD ANDERSON, Chair

STAFF PRESENT: JANET YOUNG, ACTING URBAN RENEWAL EXECUTIVE DIRECTOR
& BUDGET OFFICER
REBECCA OCKEN, URBAN RENEWAL MANAGER
DEBORAH BOND, FINANCE & MANAGEMENT SERVICES DIRECTOR
NIKKI PETERSON, BUDGET DIVISION MANAGER
RICK FAUS, SENIOR ASSISTANT CITY ATTORNEY

MEDIA PRESENT: ROBIN FRANZEN, THE OREGONIAN

1. APPROVAL OF MINUTES OF APRIL 19, 2007

Motion was made by Commissioner Shane Bemis and seconded by Commissioner Mike Bennett **TO APPROVE THE MINUTES OF APRIL 19, 2007.**

The motion passed as follows:

ANDERSON	ABSENT	NIELSEN-HOOD	YES
BEMIS	YES	OLSEN-DENNIS	YES
BENNETT	YES	STRATHERN	YES
CRADDICK	YES	WARR-KING	YES
DWYER	YES	WIDMARK	YES
FLEWELLING	YES	WIGGINS	YES

2. ELECTION OF OFFICERS

Vice Chair Olsen-Dennis opened the floor for nomination for Chair.

Mr. Flewelling nominated Vice Chair Olsen-Dennis.

Commissioner Bemis seconded the nomination.

Vice Chair Olsen-Dennis declined the nomination.

Mr. Flewelling again nominated Vice Chair Olsen-Dennis.

Commissioner Bemis seconded the nomination.

Mr. Flewelling moved to close the nominations.

Commissioner Bemis seconded the move.

The nomination passed as follows:

ANDERSON	ABSENT	NIELSEN-HOOD	YES
BEMIS	YES	OLSEN-DENNIS	YES
BENNETT	YES	STRATHERN	YES
CRADDICK	YES	WARR-KING	YES
DWYER	YES	WIGGINS	YES
FLEWELLING	YES	WIDMARK	YES

Chair Olsen-Dennis opened the floor for nomination for Vice Chair.

Commissioner Warr-King nominated Mr. Flewelling.

Commissioner Nielsen-Hood seconded the nomination

The nomination passed as follows:

ANDERSON	ABSENT	NIELSEN-HOOD	YES
BEMIS	YES	OLSEN-DENNIS	YES
BENNETT	YES	STRATHERN	YES
CRADDICK	YES	WARR-KING	YES
DWYER	YES	WIDMARK	YES
FLEWELLING	YES	WIGGINS	YES

3. PROPOSED FY 2008/09 BUDGET AND BUDGET MESSAGE

Rebecca Ocken, Urban Renewal Manager, presented the proposed fiscal year 2008/09 budget as outlined in the PowerPoint presentation attached to these minutes as Exhibit A.

4. INSTRUCTIONS TO CITIZENS ON PUBLIC COMMENT

Chair Olsen-Dennis read instructions.

5. CITIZEN COMMENTS ON PROPOSED FY 2008/09 BUDGET

No one wished to address the Committee.

6. COMMITTEE DISCUSSION

Commissioner Bennett asked if the \$300,000 Metro grant for the 188th Avenue Light Rail Station should be summarized as part of the resources because that is a resource that is being received.

Ms. Ocken explained that it is difficult to present this budget in that there are two sides - the City of Gresham (City) side and the Rockwood-West Gresham Urban Renewal (urban renewal) side. The City side reflects revenues that are not necessarily reflected in the urban renewal budget.

Commissioner Bennett asked if grant revenues were coming to the City nationally and if the City is participating as partners in the project.

Ms. Ocken stated that was correct.

Commissioner Bennett asked about the first slide on page 3. He asked If the Commission were to donate the land as part of the Cultural Marketplace project, how would it be reconciled from an accounting perspective.

Ms. Ocken stated that he would not see that reflected in this budget.

Commissioner Bennett explained that his confusion regarding this matter is that it is listed as a resource under the tax increment revenue debt and asked if another \$8.62 million was going to be received.

Ms. Ocken stated that the Commission is anticipating the refinance of that \$8.2 million. To do so, this amount needs to show up as both a revenue and an expenditure.

Commissioner Warr-King asked Ms. Bond, regarding the Debt Service Fund, if there was an additional \$1 million line of credit that was being taken out.

Ms. Bond explained that was correct.

Commissioner Warr-King asked if the maturity of that line was in August of 2009.

Ms. Bond stated that that was generally set to be dealt with in late August, early September of 2008.

Commissioner Warr-King asked about the interest on the Gresham contract of \$860,000 on the loan of \$8.2 million. He explained that to him it looks like 10% interest.

Ms. Bond stated that she did not have an answer on that at this time. She explained that it was 2% above prime on the underlying \$8 million and that she would get an answer for him.

Commissioner Warr-King asked if there was any thought of locking it in for a year.

Ms. Bond explained that there have been several conversations with Carol Samuels, financial advisor from Seattle Northwest, on what would be the best thing to do and that they are watching the market.

Commissioner Warr-King asked if a balance sheet had ever been put together for Urban Renewal that shows the assets and liabilities.

Ms. Bond stated that a balance sheet would be found in the last Basic Financial Statements report dated June 30, 2007, which is the Urban Renewal version of the City's Comprehensive Annual Financial Report (CAFR).

Commissioner Warr-King about the Projects Fund where an amount of \$1 million is shown and then \$1,954,000 is shown, and asked if the reason for that is contract costs to the City.

Ms. Bond explained the slides regarding those figures and asked if Mr. Warr-King wanted a different level of detail regarding that.

Commissioner Warr-King explained that he was talking about Item 3 in the document and that he was looking at the slides.

Ms. Peterson stated that it might be different terminology, but that the same thing was being discussed.

Commissioner Strathern asked about the expense on the Fred Meyer property.

Ms. Ocken explained that that has yet to be identified, but that the City was anticipating a contribution as part of the project.

Commissioner Craddick asked how the City was accounting for a possible downturn in the economy.

Ms. Young stated that the Measure 50 increase is a maximum of 3%, but the City is not projecting the complete 3%, but instead 2.25%, so that is a fairly conservative increase. She also stated that they have already projected almost entirely things that were already under construction at the time the projection went into place.

Mr. Flewelling asked if there were any matches for the grant funds in the budget and, if so, where would those show up in the budget.

Ms. Ocken explained that the matches are included in the CIP and that the Commission needs to apply for those grants.

Mr. Flewelling asked if the funds would be matched.

Ms. Ocken stated that they would be.

Commissioner Warr-King stated that grants sometimes take several years to come down the pipeline, and asked if staff is looking out that far at what potential grants might be available through matching or just straight grants for the Cultural Marketplace area.

Ms. Ocken explained that all opportunities for grants were being looked at.

Commissioner Bemis asked if there was a five-year snapshot in regards to the tax increment money that is coming in and where the Commission is at as a benchmark to the total 20-year \$92 million plan.

Ms. Ocken explained that that depends on what is being looked at for comparison. She stated that when you look at the Urban Renewal Plan and the projections put together, she believes in 2001/2002, that the Commission is below those projections.

Commissioner Bemis asked how far below.

Ms. Ocken explained that the Commission is about half of what was projected. She also stated that a seven-year plan was put together using current numbers, and our revenues track.

Commissioner Bemis asked if there was any statistical information available on this subject in the projections, because he's trying to make sure that we're staying on track and he doesn't have any way of referencing how the revenues are coming in compared to what the total plan is.

Ms. Ocken stated that the plan projections were put together to establish the borrowing capacity, and that the City had to authorize that at \$92 million.

Mr. Flewelling stated that he was confused and asked Ms. Bond about page 3, and that the last slide shows budgeted revenue against actual and that it doesn't reflect half. He wondered if he was missing something there.

Ms. Ocken answered no and that what they do with the budget is to continue to update the projections

Mr. Flewelling said that somewhere in there the Commission has a 20-year projection based on the 2001 numbers and asked if calculations were being run against that. Mr. Flewelling asked if that was what Mr. Bemis was looking for.

Commissioner Bennett felt that a Pandora's Box had been opened on this issue and stated that it is very disturbing to him when a target is moved and then the window which that target operates in is moved. Mr. Bennett asked what has changed from the base plan that keeps at only 50% of the revenue generation and has the Commission adjusted its expenditures to the initial plan to meet it accordingly. He stated that it's great that the Commission is on target for the latest estimates, but feels that the Commission is creating a false environment in which it is operating. Mr. Bennett asked where the information is documented and asked for a summary of how the Commission has gotten to where it's at based on the initial layout in the Urban Renewal Plan.

Ms. Young stated that the point Mr. Bennett was making is a very good one in terms of needing to look back and take a look at what the projections were when the plan was completed. She explained that the Commission would spend as much as needs to be to get the job done and as much as can be spent based on revenues.

Commissioner Bennett stated that he would be concerned if two to three years from now the Commission keeps the present targets and windows moving, and then it is not getting a really good view of where the renewal operation shortcomings are or where it would be missing things, just even on annual bases, without knowing specifically why and keeping the baseline in line.

Ms. Ocken added that while the baseline may have been set in the Urban Renewal Plan, the expenditures weren't, so the Commission is adjusting expenditures accordingly.

Commissioner Bemis asked after the totality of the district for the 20 years if the Commission would be able to deliver to the public what was promised.

Ms. Young stated that this issue would be a very valid point as a discussion piece for the Commission and the Committee.

Ms. Bond stated that it's headed in the right direction and that has a lot to do with modeling and forecasting. She also stated that it would probably be best to come back and show some of the modeling and that that would be a worthwhile exercise for a Commission meeting. Ms. Bond explained that the Urban Renewal Plan never anticipated this kind of activity in the commercial area.

Commissioner Bennett asked, from the financial side of things, if the Commission is meeting the goals or falling behind and concurred with Mr. Bemis in needing to see something in terms of an assessment of where the Commission is at with the goals. He also asked if there was a mechanism in place so that, on a continuous basis, the issue of where the Commission is at with the goals versus the financial issues that exist in the community, as well as the world, can be evaluated.

Ms. Ocken explained that effort is made to address the goals each year through performance measures and the State of Renewal Report.

Mr. Flewelling stated that what he hears being said is that the Commission adjusts the expenditures to meet the revenue as it is forecast every year when the Commission and Committee meet and that he believes spending may be in the neighborhood of \$45 million instead of \$92 million for the whole 20 years.

Ms. Ocken stated that it was too early to state that, and that she would like to see what happens in the next five years because there's a lot in the works.

Commissioner Bennett explained that he felt the snapshot here is half of what was expected at the five-year mark. He explained that it could escalate faster in the next five years and that it is something that should be looked at every period that there is a chance.

Commissioner Nielsen-Hood wondered about what the public is being told about what is going on and what was being given back to them at this point with regard to Urban Renewal.

Ms. Ocken explained that staff is promoting Urban Renewal through the annual State of Renewal Report and other efforts.

Commissioner Warr-King explained that a lot of people were wondering about the pile of dirt at the Cultural Marketplace Site, and that it just doesn't look good.

Ms. Ocken explained that the dirt would be moved soon.

7. MOTION TO APPROVE PROPOSED FY 2008/09 BUDGET

Motion was made by Commissioner David Widmark and seconded by Commissioner Mike Bennett **TO APPROVE THE PROPOSED BUDGET FOR FISCAL YEAR 2008/09, APPROPRIATED IN THE AGGREGATE AMOUNT OF 18,015,444 AND APPROVE URBAN RENEWAL PROPERTY TAX REVENUE AT 100 PERCENT OF DIVISION OF TAX AVAILABLE.**

The motion passed as follows:

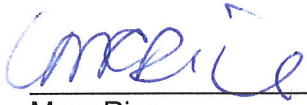
ANDERSON	ABSENT	NIELSEN-HOOD	YES
BEMIS	YES	OLSEN-DENNIS	YES
BENNETT	YES	STRATHERN	YES
CRADDICK	YES	WARR-KING	YES
DWYER	YES	WIDMARK	YES
FLEWELLING	YES	WIGGINS	YES

B. ADJOURNMENT OF MEETING

Hearing no further business, the meeting adjourned at 6:45 p.m.

CATHY OLSEN-DENNIS,
CHAIR

Respectfully submitted,



Mary Rice,
Rose City Transcription Services, Inc.



BUDGET COMMITTEE

AGENDA ITEM TYPE: DECISION

Proposed Fiscal Year 2009/10 Budget and Budget Message

Meeting Date: April 21, 2009

Agenda Item Number: 3

REQUESTED COMMITTEE ACTION

Move to approve the proposed budget for fiscal year 2009/10 in the aggregate amount of \$27,268,800 and approve urban renewal property tax revenue at 100 percent of division of tax available.

BACKGROUND

Attached is the proposed budget for fiscal year 2009/10. The budget includes two funds: Projects and Debt Service. The Projects fund is used to account for urban renewal related expenditures, which include staffing, consulting services, grants, and the Capital Improvement Program. The Debt Service fund is used to account for all urban renewal related property tax revenue and may be applied only to debt payments and obligations.

NEXT STEPS

Upon approval, the 2009/10 budget will be adopted and appropriated by means of a GRDC resolution scheduled for June 18, 2009. Once adopted, the budget goes into effect on July 1, 2009.

ATTACHMENTS

1. Gresham Redevelopment Commission Proposed Fiscal Year 2009/10 Budget and Budget Message
 2. Rockwood-West Gresham Urban Renewal Area Property Tax Projection Table and Graph
 3. Rockwood-West Gresham Urban Renewal Area Capital Improvement Projects Fiscal Year 2009/10 to Fiscal Year 2013/14
-

FROM

Alice Rouyer, Executive Director

FOR MORE INFORMATION

Staff Contact: Alice Rouyer
Telephone: (503) 618-2280
Staff E-Mail: alice.rouyer@ci.gresham.or.us
Website: www.greshamoregon.gov

Attachment No. 1



Proposed Fiscal Year 2009/10 Budget and Budget Message

GRESHAM

REDEVELOPMENT COMMISSION

BUDGET MESSAGE FISCAL YEAR 2009/10

**To: THE GRESHAM REDEVELOPMENT COMMISSION BUDGET COMMITTEE
AND THE CITIZENS OF GRESHAM**

The proposed fiscal year 2009/10 budget for the Rockwood-West Gresham Urban Renewal Area describes the planned appropriations for the sixth fiscal year of Gresham's Urban Renewal Area (URA).

2009/2010 Budget

The proposed budget for fiscal year 2009/10 accomplishes the Commission's goals and objectives by allocating tax increment revenues to finance debt for projects and services in the Urban Renewal area. The proposal consists of two funds that appropriate \$21,354,200 for Rockwood Capital Projects and services, and \$5,914,600 for Rockwood Urban Renewal Debt Service.

In the past five years, urban renewal efforts have focused primarily on:

- Building the program;
- Acquiring strategic properties; and
- Planning future project investments as tax increment revenues grew.

The Agency has borrowed funds through the City with a line of credit for land acquisition, capital project construction, and program operations. In its sixth year, the tax increment revenues have grown to a level where the Agency can be more ambitious in efforts to build projects and enhance grant programs to incent private investment within the area.

Revenue Trends: Currently, private land and business owners are investing approximately \$28 million in the Area, which will increase projected tax increment revenue in fiscal year 2009/10 to approximately \$2.57 million. This is a 38.4% increase from revenues budgeted in fiscal year 2008/09. Most of this revenue growth resulted from industrial business investment and primarily on properties where the Agency had awarded New Industries grant incentives. While the Agency is projecting slower revenue increases over the next three years due to the downturn in the economy, recent growth in the current year has built a solid foundation for enhanced capital investment.

City Capital Project Expenditures Increase: The proposed budget increases capital project expenditures by approximately \$3.5 million over the current year's budget, for a total of \$5.5 million in the proposed fiscal year 2009/10. Capital project spending in fiscal year 2008/09 and previous years has been modest because resources were more limited. This allowed time to design future projects and gave staff the chance to win grant funding to leverage urban renewal investment in the 188th light rail station improvements and Stark Street Boulevard project. Both projects will be constructed in fiscal year 2009/10. The Capital Improvement Plan also envisions expenditures on the Cultural Marketplace site, strategic site acquisitions and opportunities to fund projects in the industrial area and the Stark/Burnside/181st "triangle," as needs arise during the fiscal year.

City Contractual Service Expenditures Increase: The Gresham Redevelopment Commission (GRDC) receives staffing services through an intergovernmental agreement with the City of Gresham. Gresham's City Council has named Urban Renewal as one of its Top 6 Council Work Plan priorities for the past two years. In an effort to allocate proper resources to urban renewal, the City Manager reorganized staffing. Beginning in February 2009, the Urban Renewal program is managed by the City's Office of Governance and Management and the Urban Design and Planning Department will provide project staffing. This new arrangement offers a deeper staffing pool to build projects, operate the grant program, and implement the goals of the Commission.

City Contractual Services to support the Commission has increased approximately \$545,000 over expenditures in fiscal year 2008/09, of which approximately \$209,000 is attributed to personal (or staffing) services, and \$336,000 results from an enhancement of the URA's grant program.

The grant program has been an important investment incentive tool in the URA. The program supports four grant types. These are:

- New Industries
- Apartment Rehabilitation
- Storefront Improvement
- Pre-Development Services

Since the program inception, the GRDC has awarded approximately \$503,000 in New Industries grants, leveraging approximately \$26.1 million in new investment in the industrial area. The Apartment Rehabilitation grant has awarded \$178,332 to assist the rehab of 403 units to date, leveraging new private investment of approximately \$500,000. Because of the grant program's popularity, the City Council approved a supplemental budget request in March 2009 to increase grant program funding in order to fulfill obligations from the past two fiscal years.

Opportunity for Long-Term Borrowing: Since its inception, the Agency, like other fledging urban renewal agencies, has financed projects with proceeds from a line of credit obtained by the City. While the interest rate for this line of credit is currently very favorable, the rate will fluctuate as market conditions change. Over time, long-term debt at a fixed interest rate offers a more stable borrowing solution for the Agency. In fiscal year 2009/10, the Agency will monitor market conditions and pursue a bond issue if conditions are favorable.

Budget Document

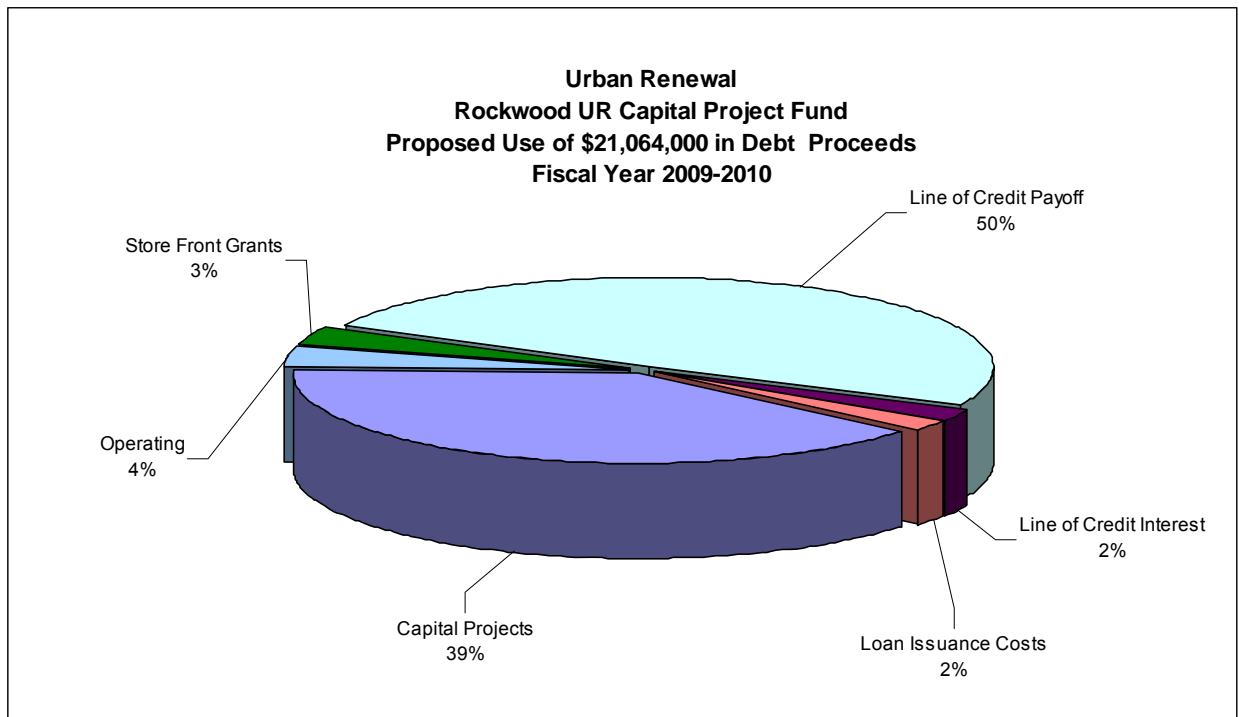
As required by Oregon State Budget Law, the proposed fiscal year 2009/10 budget is balanced – which means, the projected resources are sufficient to meet allocated expenditures. The budget document is required to show four columns of data: the proposed fiscal year 2009/10 budget, the current fiscal year budget, and two prior fiscal years of audited data.

Budgeted Funds in the FY 09/10 Budget

The budget document presents each of the URA's funds. For fiscal year 2009/10, the URA is composed of two funds:

Rockwood UR Capital Projects Fund

The Projects Fund is used to account for expenditures related to developing urban renewal projects.



The resources consist of \$21,064,000 in loan proceeds from the City and \$204,000 in beginning fund balance carried forward from fiscal year 2008/09. Loan proceeds have increased \$14.8 million in comparison to fiscal year 2008/09 primarily due to the proposed refinancing of the line of credit into long-term debt, and the increase in capital projects to be built in fiscal year 2009/10. Total resources, including \$85,400 of interest earnings, are \$21,354,200.

The expenditures are \$1,545,100 for City contractual services, and \$5,500,000 for capital construction projects. These expenditures are budgeted as a payment for contractual and construction services provided by the City.

Expenditures also include a projected \$11,304,000 for refinancing the interim line of credit into a long-term debt issuance. A contingency of \$3,005,100 is also included in this fund. Total fund requirements are \$21,354,200.

Rockwood UR Debt Service Fund

The Debt Service Fund is used to account for the URA property tax revenue, which can be applied only to debt payments. The URA's divided share of all Gresham property taxes is 100% of the tax revenue available for the Area. The budget anticipates \$2,577,000 in property tax revenues, \$42,800 in interest income and \$3,294,800 in beginning fund balance. Total resources are \$5,914,600.

Expenditures from this fund are used to pay the principal, interest and debt issuance costs related to the loan from the City. The debt service payment is projected to be \$1,697,400, leaving \$4,217,200 in unappropriated ending fund balance for future debt service payments. Total requirements are \$5,914,000.

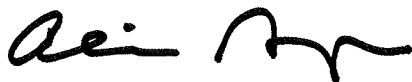
Relationship between Gresham Redevelopment Commission and the City of Gresham

The Rockwood-West Gresham Urban Renewal Area is overseen by the Gresham Redevelopment Commission (GRDC). The URA is a distinct legal entity that is separate from the municipality of the City of Gresham. On February 26, 2004, the GRDC By-Laws were adopted and officers were elected. The By-Laws state that the GRDC is composed of the Gresham City Council. The staff and expenditures for the URA are administered via an intergovernmental agreement with the City of Gresham.

Conclusion

The proposed budget presents a spending plan for the 2009/10 fiscal year that reflects the Gresham/Rockwood Urban Renewal Plan. I would like to acknowledge and thank all involved for their efforts in developing the budget and implementing the plan.

Respectfully submitted,



Alice Rouyer
Executive Director

Resources and Requirements By Fund

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Resources						
950 Rockwood UR Capital Proje Fund						
Interest Income	98,701	40,893	30,000	85,400	0	0
Miscellaneous Income	1,638	0	0	0	0	0
Loan Proceeds	0	0	6,204,336	21,064,000	0	0
Beginning Balance	2,171,762	1,120,903	101,000	204,800	0	0
Total Rockwood UR Capital Proje Fund	<u>2,272,101</u>	<u>1,161,796</u>	<u>6,335,336</u>	<u>21,354,200</u>	<u>0</u>	<u>0</u>

Requirements

Urban Renewal District	<u>1,151,198</u>	<u>990,923</u>	<u>2,954,336</u>	<u>18,349,100</u>	<u>0</u>	<u>0</u>
Total	<u>1,151,198</u>	<u>990,923</u>	<u>2,954,336</u>	<u>18,349,100</u>	<u>0</u>	<u>0</u>
Contingency	0	0	2,000,000	3,005,100	0	0
Unappropriated	<u>1,120,903</u>	<u>170,873</u>	<u>1,381,000</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>1,120,903</u>	<u>170,873</u>	<u>3,381,000</u>	<u>3,005,100</u>	<u>0</u>	<u>0</u>
Total Rockwood UR Capital Proje Fund	<u>2,272,101</u>	<u>1,161,796</u>	<u>6,335,336</u>	<u>21,354,200</u>	<u>0</u>	<u>0</u>

Resources

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Fund: Rockwood UR Capital Proje						
<u>Miscellaneous Income</u>						
Investment Interest	98,701	40,893	30,000	85,400	0	0
Miscellaneous Income	1,638	0	0	0	0	0
TOTAL Miscellaneous Income	100,339	40,893	30,000	85,400	0	0
<u>Other Resources</u>						
Loan Proceeds	0	0	6,204,336	21,064,000	0	0
Beginning Balance	2,171,762	1,120,903	101,000	204,800	0	0
TOTAL Other Resources	2,171,762	1,120,903	6,305,336	21,268,800	0	0
Fund Total	2,272,101	1,161,796	6,335,336	21,354,200	0	0

Requirements

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Fund: Rockwood UR Capital Proje Fund						
OPERATIONS						
Prof and Tech Services						
City contractual services	1,151,198	990,923	1,000,000	1,545,100	0	0
City Construction Service	0	0	1,954,336	5,500,000	0	0
City Debt Refinancing	0	0	0	11,304,000	0	0
Total Prof and Tech Services	1,151,198	990,923	2,954,336	18,349,100	0	0
Unappropriated						
Unappropriated	1,120,903	170,873	1,381,000	0	0	0
Total Unappropriated	1,120,903	170,873	1,381,000	0	0	0
Contingency						
Contingency	0	0	2,000,000	3,005,100	0	0
Total Contingency	0	0	2,000,000	3,005,100	0	0
	<u>2,272,101</u>	<u>1,161,796</u>	<u>6,335,336</u>	<u>21,354,200</u>	<u>0</u>	<u>0</u>

Resources and Requirements By Fund

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Resources						
951 Rockwood UR Debt Service Fund						
Taxes	1,195,231	1,445,932	1,808,108	2,577,000	0	0
Interest Income	21,501	66,683	60,000	42,800	0	0
Loan Proceeds	0	0	8,262,000	0	0	0
Beginning Balance	253,624	496,631	1,550,000	3,294,800	0	0
Total Rockwood UR Debt Service Fund	<u>1,470,356</u>	<u>2,009,246</u>	<u>11,680,108</u>	<u>5,914,600</u>	<u>0</u>	<u>0</u>

Requirements

Debt Service	973,725	426,569	10,264,830	1,697,400	0	0
Unappropriated	496,631	1,582,677	1,415,278	4,217,200	0	0
Total	<u>1,470,356</u>	<u>2,009,246</u>	<u>11,680,108</u>	<u>5,914,600</u>	<u>0</u>	<u>0</u>
Total Rockwood UR Debt Service Fund	<u>1,470,356</u>	<u>2,009,246</u>	<u>11,680,108</u>	<u>5,914,600</u>	<u>0</u>	<u>0</u>

Resources

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Fund: Rockwood UR Debt Service						
<u>Taxes</u>						
Current	1,195,151	1,445,781	1,807,958	2,577,000	0	0
Tax Title Land Sales	80	151	150	0	0	0
TOTAL Taxes	1,195,231	1,445,932	1,808,108	2,577,000	0	0
<u>Miscellaneous Income</u>						
Investment Interest	21,501	66,683	60,000	42,800	0	0
TOTAL Miscellaneous Income	21,501	66,683	60,000	42,800	0	0
<u>Other Resources</u>						
Loan Proceeds	0	0	8,262,000	0	0	0
Beginning Balance	253,624	496,631	1,550,000	3,294,800	0	0
TOTAL Other Resources	253,624	496,631	9,812,000	3,294,800	0	0
Fund Total	1,470,356	2,009,246	11,680,108	5,914,600	0	0

Requirements

	2006/07 Actual	2007/08 Actual	2008/09 Budget	2009/10 Commission Proposed	2009/10 Commission Approved	2009/10 Commission Adopted
Fund: Rockwood UR Debt Service Fund						
OPERATIONS						
Contracts						
Principal	500,000	0	10,264,830	1,576,600	0	0
Interest	473,725	426,569	0	120,800	0	0
Total Contracts	973,725	426,569	10,264,830	1,697,400	0	0
Unappropriated						
Unappropriated	496,631	1,582,677	1,415,278	4,217,200	0	0
Total Unappropriated	496,631	1,582,677	1,415,278	4,217,200	0	0
	1,470,356	2,009,246	11,680,108	5,914,600	0	0

Rockwood-West Gresham Urban Renewal Area Proposed Budget FY 2009/10

Fiscal Year 2009/10 Budget by Fund

Operating Funds

Projects Fund

	<u>FY 2009/10 Appropriations</u>
Materials & Services	18,349,100
Contingency	<u>3,005,100</u>
Total Projects Fund Appropriation	21,354,200
Unappropriated Balance	<u>0</u>
Total Projects Fund Requirements	<u><u>21,354,200</u></u>

Non-Operating Funds

Debt Fund

	<u>FY 2009/10 Appropriations</u>
Debt Service	<u>1,697,400</u>
Total Debt Fund Appropriation	1,697,400
Unappropriated Balance	<u>4,217,200</u>
Total Debt Fund Requirements	<u><u>5,914,600</u></u>

FY 2009/10 Budget in Aggregate:

27,268,800

Attachment No. 2

Rockwood-West Gresham Urban Renewal Area

Property Tax Projection Table and Graph

Gresham Urban Renewal Area Fiscal Year 2009/10 Property Tax Projection

<u>TAV Base and Growth:</u>	<u>Amount</u>	<u>Explanation</u>
UR Frozen Base TAV	\$ 437,507,294	From Multnomah County Tax Assessor
UR Incremental TAV 2008/09	\$ 136,186,345	From Multnomah County Tax Assessor
UR Total Taxable Assessed Value	\$ 573,693,639	

Projected Growth in TAV:

UR Incremental TAV 2008/09	\$ 136,186,345	
Normal Growth in TAV @ 2.0%	\$ 11,473,873	
Estimated New Development TAV	\$ 28,350,000	Based on an estimate for known projects from permits
Projected Incremental TAV 2009/10	\$ 176,010,218	

Projected UR Tax Rate	\$ 15.35	2008/09 Rate of \$15.4311 per \$1,000 of TAV
Calculated UR Tax (before Adjustments)	\$ 2,701,757	
Less: Discounts and Delinquencies @ 6.0%	\$ (162,105)	
Plus: Delinquent Collections and Penalties	\$ 37,324	3% of Two years prior (2007/2008) actual collections
Projected UR Tax Revenue 2009/10	\$ 2,576,975	

Legend:

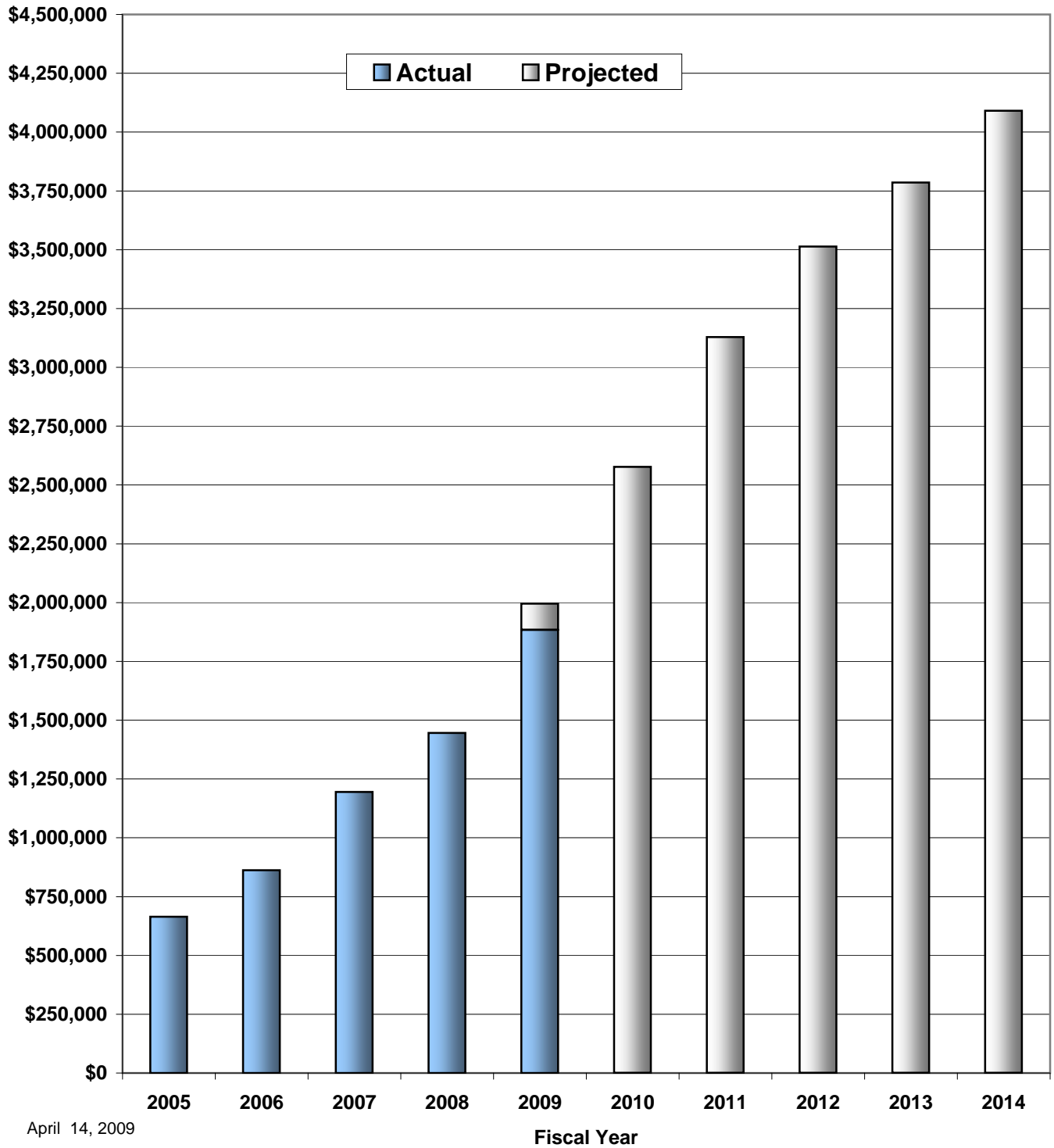
UR = Urban Renewal

TAV = Taxable Assessed Value

DOR = Department of Revenue

Seth Reeser
April 15, 2009

**Rockwood-West Gresham Urban Renewal Area
Tax Increment Revenues**



Attachment No. 3

Rockwood-West Gresham Urban Renewal Area

Capital Improvement Projects FY 2009/10 to FY 2013/14

Urban Renewal Funded Summary								
Project	Project Name	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
UR1002	Redevelopment Plan Implementation	0	100,000	100,000	100,000	100,000	100,000	500,000
UR1004	Opportunity Fund	0	850,000	1,000,000	1,000,000	1,000,000	650,000	4,500,000
UR1009	Rockwood Town Center Future Streets	0	0	0	1,000,000	0	0	1,000,000
UR1014	Burnside Road Boulevard Phase I	334,336	100,000	400,000	1,000,000	0	0	1,834,336
UR1015	Stark Street Boulevard (190th to 197th)	0	1,150,000	0	0	0	0	1,150,000
UR1020	188th Avenue at Burnside Road	0	100,000	400,000	500,000	0	0	1,000,000
UR1021	187th/188th Realignment at Stark	0	100,000	900,000	0	0	0	1,000,000
UR1034	Light Rail Station Improvements	250,000	1,400,000	0	0	0	0	1,650,000
UR1043	Cultural Marketplace	500,000	1,500,000	0	0	0	0	2,000,000
UR1044	Industrial Study Implementation	0	200,000	200,000	250,000	250,000	250,000	1,150,000
UR1049	181st Corridor Signal Improvements	200,000	0	0	0	0	0	200,000
Grand Total		1,284,336	5,500,000	3,000,000	3,850,000	1,350,000	1,000,000	15,984,336

FUNDED PROJECT
Urban Renewal

UR1002: Redevelopment Plan Implementation

Description: This project will implement recommendations from the 2005 Rockwood Town Center Design and Redevelopment Plan. The projects will be located primarily within the Rockwood Triangle (181st, Burnside, Stark) and be aimed at increasing the overall economic development potential. Early projects include landscaping, street banners and other public amenities.

Justification: This project will help renew and revitalize the Rockwood Town Center, making it more appealing to private investment.

Type of Project: Construction of facilities and utilities for growth.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	100,000	100,000	100,000	100,000	100,000	500,000
Resources Total		0	100,000	100,000	100,000	100,000	100,000	500,000
Expenses	Design/Const Admin	0	10,000	10,000	10,000	10,000	10,000	50,000
	Construction	0	77,719	77,719	77,719	77,719	77,719	388,595
	Admin (14%)	0	12,281	12,281	12,281	12,281	12,281	61,405
Expenses Total		0	100,000	100,000	100,000	100,000	100,000	500,000

FUNDED PROJECT
Urban Renewal

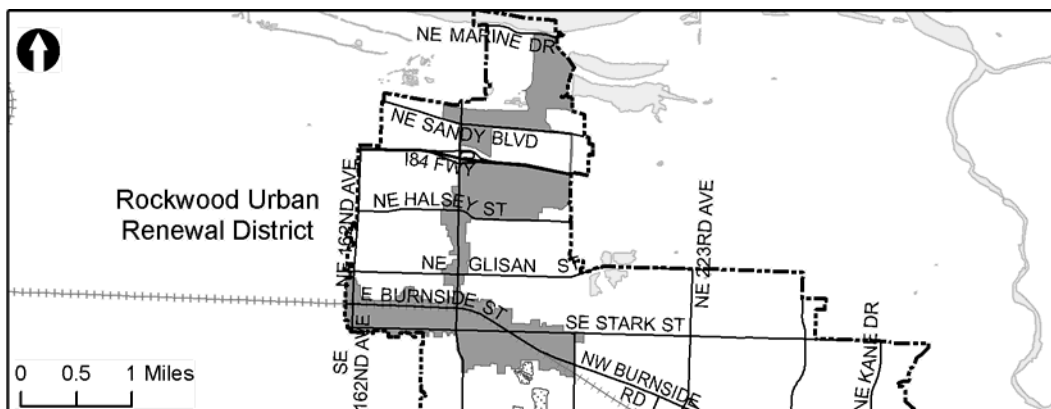
UR1004: Opportunity Fund

Description: The Opportunity Fund was created to better position the Gresham Redevelopment Commission to respond to undeniable development opportunities within the Urban Renewal Area (URA). Its purpose is to not only to encourage private investment within the URA through public incentives, but to provide a financial means for the Gresham Redevelopment Commission to implement the Rockwood West Gresham Urban Renewal Plan. The following criteria guide expenditure of this fund: 1) Foster public/private development partnerships; 2) Increase the property value of project site and positively influence values of adjoining properties; 3) Leverage quality development; and 4) Create a catalytic development environment. In FY05/06, this project was used to purchase the former Fred Meyer store located in the Rockwood Town Center. This property was identified in the Rockwood Design and Redevelopment Plan as a key parcel in the redevelopment of the area.

Justification: This project will help renew and revitalize the Rockwood/West Gresham Urban Renewal Area, making it more appealing to private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: Typical partners will be from the private sector interested in selling property or teaming on a development project.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	850,000	1,000,000	1,000,000	1,000,000	650,000	4,500,000
Resources Total		0	850,000	1,000,000	1,000,000	1,000,000	650,000	4,500,000
Expenses	Construction	0	745,614	877,193	877,193	877,193	570,175	3,947,368
	Admin (14%)	0	104,386	122,807	122,807	122,807	79,825	552,632
Expenses Total		0	850,000	1,000,000	1,000,000	1,000,000	650,000	4,500,000

FUNDED PROJECT
Urban Renewal

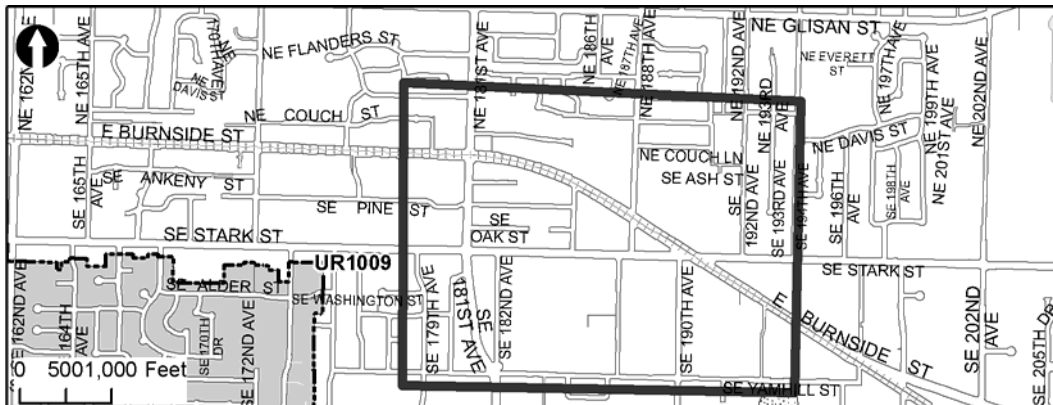
UR1009: Rockwood Town Center Future Streets

Description: This project will fund acquisition of needed right-of-way, design, and construction of new local streets within the Rockwood Town Center. An improved local street network will greatly enhance access, safety and commercial appeal. New local streets include: Oak Street (183rd to 185th), 183rd (Stark to Burnside), 184th (Stark to Pine), 185th (Burnside to Davis), Couch Street (184th to 188th), and Davis Street (184th to 188th) among others. These future streets are included in the City Development Code Future Street Plan, the Rockwood Town Center Design and Redevelopment Plan, and the Cultural Marketplace Aspirational Plan. This project is also noted in the Transportation Unfunded CIP.

Justification: Improve the public infrastructure to increase neighborhood safety and attract private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: Future permitted development will assist with acquisition and construction of local streets.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	0	0	1,000,000	0	0	1,000,000
Resources Total		0	0	0	1,000,000	0	0	1,000,000
Expenses	Design/Const Admin	0	0	0	60,000	0	0	60,000
	Construction	0	0	0	717,193	0	0	717,193
	Property Acq	0	0	0	100,000	0	0	100,000
	Admin (14%)	0	0	0	122,807	0	0	122,807
Expenses Total		0	0	0	1,000,000	0	0	1,000,000

FUNDED PROJECT
Urban Renewal

UR1014: Burnside Road Boulevard Phase I

Description: This project will construct boulevard improvements from 181st to 197th in the Rockwood Town Center. Boulevard improvements may include undergrounding of utilities, wide sidewalks, pedestrian-oriented street lighting, street trees, bike lanes, and on-street parking, among other enhancements.

Justification: Improve the public infrastructure to increase neighborhood safety and attract private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: Additional funding for construction will be sought.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	334,336	100,000	400,000	1,000,000	0	0	1,834,336
Resources Total		334,336	100,000	400,000	1,000,000	0	0	1,834,336
Expenses	Design/Const Admin	293,277	87,719	43,859	0	0	0	424,855
	Construction	0	0	307,018	877,193	0	0	1,184,211
	Admin (14%)	41,059	12,281	49,123	122,807	0	0	225,270
Expenses Total		334,336	100,000	400,000	1,000,000	0	0	1,834,336

FUNDED PROJECT
Urban Renewal

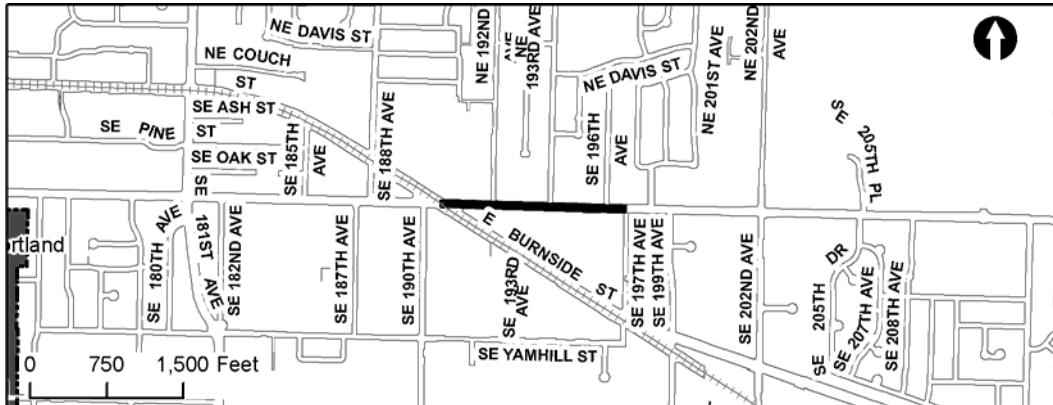
UR1015: Stark Street Boulevard (190th to 197th)

Description: This project will complete boulevard improvements on Stark Street through the Rockwood Town Center. Boulevard improvements may include undergrounding of utilities, wide sidewalks, street trees, pedestrian-scale street lighting, bike lanes, pedestrian refuges, medians, and on-street parking. This project shows only the urban renewal contribution. The full project is programmed in Transportation CIP#517100.

Justification: Improve the public infrastructure to increase neighborhood safety and attract private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: A federal earmark was awarded to this project for construction. Along with Transportation TIF money, Urban Renewal funds will enhance the project and fund ineligible grant elements such as undergrounding the utilities.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	1,150,000	0	0	0	0	1,150,000
Resources Total		0	1,150,000	0	0	0	0	1,150,000
Expenses	Construction	0	1,008,772	0	0	0	0	1,008,772
	Admin (14%)	0	141,228	0	0	0	0	141,228
Expenses Total		0	1,150,000	0	0	0	0	1,150,000

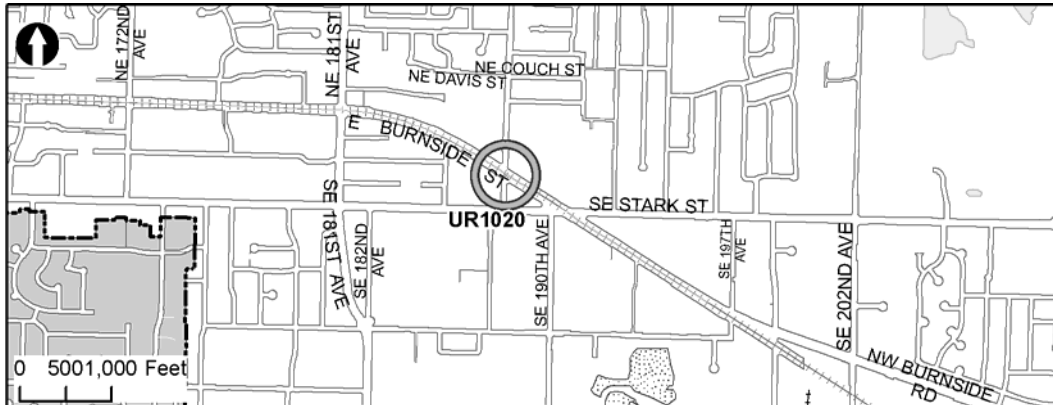
FUNDED PROJECT
Urban Renewal

UR1020: 188th Avenue at Burnside Road

Description: This project will improve the intersection of Burnside and 188th in conjunction with the 188th Avenue light rail station improvements, noted in #UR1034. To improve pedestrian safety and encourage transit use, this project will focus on the pedestrian conditions, such as enhancing the marked crosswalks and increasing pedestrian-oriented street lighting .

Justification: This project will help renew and revitalize the Rockwood/West Gresham Urban Renewal Area, making it more appealing to private investment.

Type of Project: Construction of facilities and utilities for growth



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	100,000	400,000	500,000	0	0	1,000,000
Resources Total		0	100,000	400,000	500,000	0	0	1,000,000
Expenses	Design/Const Admin	0	87,719	100,000	100,000	0	0	287,719
	Construction	0	0	250,877	338,597	0	0	589,474
	Admin (14%)	0	12,281	49,123	61,403	0	0	122,807
Expenses Total		0	100,000	400,000	500,000	0	0	1,000,000

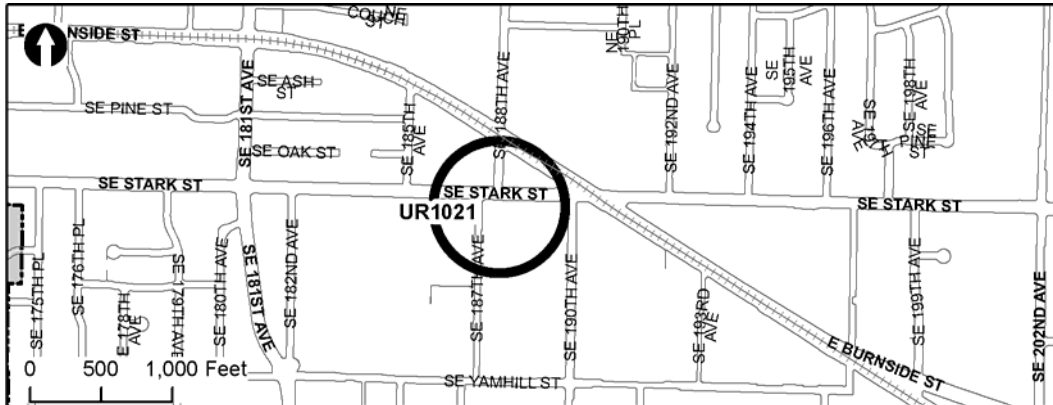
FUNDED PROJECT
Urban Renewal

UR1021: 187th/188th Realignment at Stark

Description: This project will realign the 187/188th intersection to increase safety to all users and improving the pedestrian conditions within the Rockwood Town Center. This project is noted in the Transportation System Plan.

Justification: This project will increase safety to pedestrians in a transit-dependent neighborhood.

Type of Project: Construction of facilities and utilities for growth.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	100,000	900,000	0	0	0	1,000,000
Resources Total		0	100,000	900,000	0	0	0	1,000,000
Expenses	Design/Const Admin	0	87,719	87,719	0	0	0	175,438
	Construction	0	0	701,755	0	0	0	701,755
	Admin (14%)	0	12,281	110,526	0	0	0	122,807
Expenses Total		0	100,000	900,000	0	0	0	1,000,000

FUNDED PROJECT
Urban Renewal

UR1034: 188th Ave. Light Rail Station Improvements

Description: This project will make significant capital improvements to the 188th Street light rail station. Improvements including replacement of the light rail shelters, improved station lighting, landscaping, and public art. All will increase safe access to transit and create more appealing transit facilities. The project is contingent upon award of grant funding. This sheet reflects City expenses only. (See also UR1034A.)

Justification: This project will increase safety for a transit dependent neighborhood and help renew and revitalize the Rockwood Town Center, making it a more appealing to private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: In partnership with TriMet and ODOT.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	250,000	1,400,000	0	0	0	0	1,650,000
Resources Total		250,000	1,400,000	0	0	0	0	1,650,000
Expenses	Design/Const Admin	242,718	0	0	0	0	0	242,718
	Construction	0	1,359,223	0	0	0	0	1,359,223
	Admin (14%)	7,282	40,777	0	0	0	0	48,059
Expenses Total		250,000	1,400,000	0	0	0	0	1,650,000

FUNDED PROJECT
Urban Renewal

UR1034A: 188th Ave. Light Rail Station Improvements

Description: This project will make significant capital improvements to the 188th Street light rail station. Improvements including replacement of the light rail shelters, improved station lighting, landscaping, and public art. All will increase safe access to transit and create more appealing transit facilities. (See also UR1034)

Justification: This project will increase safety for a transit dependent neighborhood and help renew and revitalize the Rockwood Town Center, making it a more appealing to private investment.

Type of Project: Construction of facilities and utilities for growth.

Partners: In partnership with TriMet and ODOT.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Grant	0	300,000	0	0	0	0	300,000
	IGA	350,000	2,650,000	0	0	0	0	3,000,000
	Urban Renewal	250,000	1,400,000	0	0	0	0	1,650,000
Resources Total		600,000	4,350,000	0	0	0	0	4,950,000
Expenses	Design/Const Admin	242,718	0	0	0	0	0	242,718
	Construction	350,000	4,309,223	0	0	0	0	4,659,223
	Admin (14%)	7,282	40,777	0	0	0	0	48,059
Expenses Total		600,000	4,350,000	0	0	0	0	4,950,000

FUNDED PROJECT
Urban Renewal

UR1043: Cultural Marketplace

Description: Located in the heart of the Rockwood Town Center, the Gresham Redevelopment Commission purchased this 6.5 acre site for redevelopment. Formerly the home of Rockwood Fred Meyer, the site is now called the Cultural Marketplace. This project will cover capital costs associated with site redevelopment.

Justification: This project will help renew and revitalize the Rockwood Town Center, making it more appealing to private investment.

Type of project: Construction of facilities and utilities for growth.

Partners: Private development



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	500,000	1,500,000	0	0	0	0	2,000,000
Resources Total		500,000	1,500,000	0	0	0	0	2,000,000
Expenses	Design/Const Admin	131,578	131,579	0	0	0	0	263,157
	Construction	307,018	1,184,210	0	0	0	0	1,491,228
	Admin (14%)	61,404	184,211	0	0	0	0	245,615
Expenses Total		500,000	1,500,000	0	0	0	0	2,000,000

FUNDED PROJECT
Urban Renewal

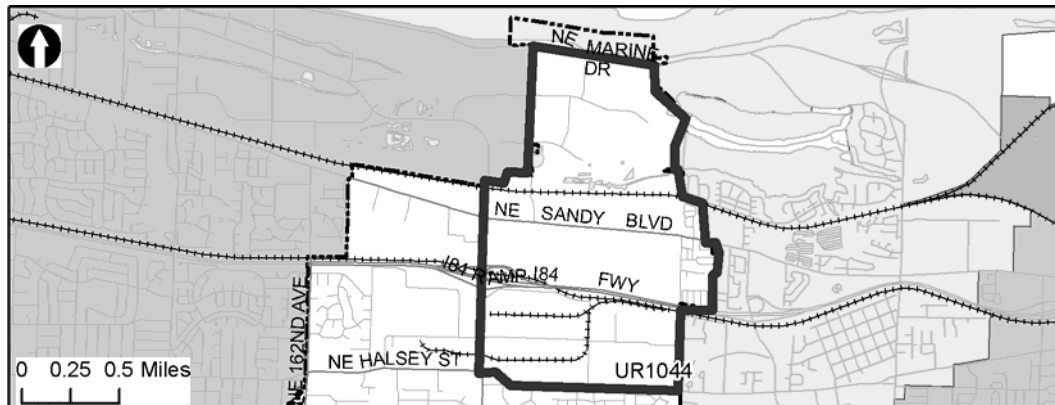
UR1044: Industrial Study Implementation

Description: A study evaluating the development opportunities of the industrial area within the urban renewal area was adopted by the Gresham Redevelopment Commission in 2007. The study includes an action plan with capital projects to help attract new capital intensive industrial development. The intent of the action plan is to better position the GRDC to respond to new industrial development as it occurs. Projects in this study will be implemented as needed. Early projects include signal upgrades at intersections along 181st to increase existing street capacity and support new industrial businesses within the URA.

Justification: Improve public infrastructure to attract capital intensive, industrial uses.

Type of project: Construction of facilities and utilities for growth.

Partners: Union Pacific will be involved in any spur line projects. Private investors.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Urban Renewal	0	200,000	200,000	250,000	250,000	250,000	1,150,000
Resources Total		0	200,000	200,000	250,000	250,000	250,000	1,150,000
Expenses	Design/Const Admin	0	17,544	17,544	21,930	21,930	21,930	100,878
	Construction	0	157,895	157,895	197,368	197,368	197,368	907,894
	Admin (14%)	0	24,561	24,561	30,702	30,702	30,702	141,228
Expenses Total		0	200,000	200,000	250,000	250,000	250,000	1,150,000

FUNDED PROJECT
Urban Renewal

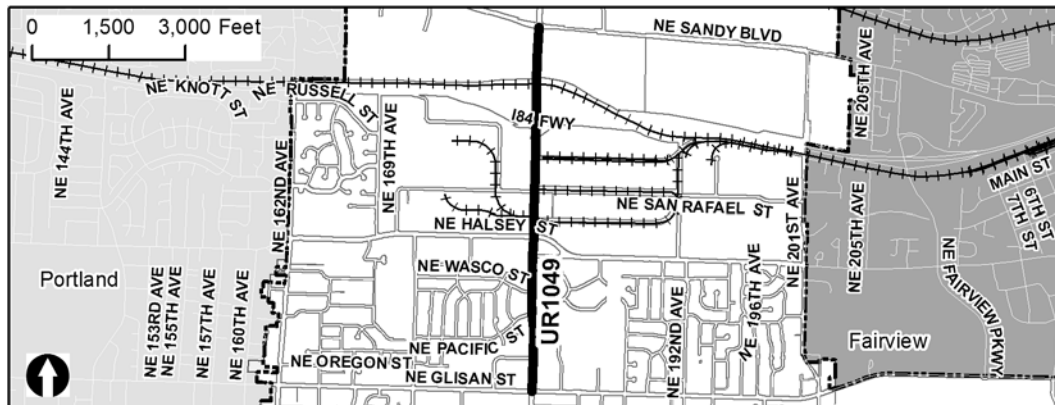
UR1049: 181st Corridor Signal Improvements

Description: The Industrial Opportunity Study (CIP #UR1044) evaluated development opportunities of the industrial area within the urban renewal area. An early action item identified in the study includes signal upgrades to 181st Avenue from Sandy to Glisan to increase existing street capacity and support new industrial businesses within the URA. This project will fund that effort.

Justification: Improve public infrastructure to attract capital intensive, industrial uses.

Type of project: Construction of facilities and utilities for growth.

Partners: Private investors.



Estimated Dollars:

Funds	Description	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	Total
Resources	Developer	30,000	0	0	0	0	0	30,000
	Urban Renewal	170,000	0	0	0	0	0	170,000
Resources Total		200,000	0	0	0	0	0	200,000
Expenses	Design/Const Admin	75,439	0	0	0	0	0	75,439
	Construction	100,000	0	0	0	0	0	100,000
	Admin (14%)	24,561	0	0	0	0	0	24,561
Expenses Total		200,000	0	0	0	0	0	200,000